

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: February 12, 2016

PERSONNEL LETTER #16-003
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Debra Spellman, Chief
Personnel/Payroll Services Division

RE: **VERIFICATION OF EMPLOYEES IDENTIFIED AS NONRESIDENT ALIENS**

As of January 22, 2016, all employees identified as Nonresident Alien (NRA), per federal tax withholding rules determined by the Internal Revenue Service (IRS), are on the NRA report including those who are active, on leave or separated. The report is sorted by agency code and then by social security number. The report also includes tax exemptions and an 'X' if the person has separated. For more information on this process, please see [Payroll Letter #06-030](#).

VIEWING THE NONRESIDENT ALIEN REPORT

This report is now available on ViewDirect and will remain on ViewDirect until April 2016. You can access the report under ID PDW7170, report name "Employees Identified as Nonresident Aliens."

Only personnel authorized to access ViewDirect can view and print the report. For more information on accessing and printing ViewDirect reports, please refer to the ViewDirect User Guide on the SCO web site at http://www.sco.ca.gov/Files-PPSD/viewdirect_user_manual.pdf.

NOTE: We will not provide a hard copy version of the report.

If your agency does not have the "Employees Identified as Nonresident Aliens" report (PDW7170) in the ViewDirect report directory, then there are no individuals employed at your agency on the NRA database.

VERIFYING THE REPORT

Please review each record on the report and verify the employee is still an NRA per the rules indicated in the Internal Revenue Service (IRS) Notice 2005-76 located at <http://www.irs.gov/pub/irs-drop/n-05-76.pdf>. Use the attached form to indicate any employee changes and complete the department name, contact person, contact number/email and authorizing signature.

If an employee separated or changed status and is no longer an NRA subject to the federal tax withholding rules, complete his/her name, social security number and enter delete in the type of change field. If there are any nonresident alien employees missing from the report, add the employee name, social security number and enter add in the type of change field.

Please email Jennifer Robinson at jrobinson@sco.ca.gov, stating “no changes are necessary,” if the report is accurate.

All responses are due by March 7, 2016. Please send your responses through secure fax at (916) 322-8137 or mail to the following address:

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Attn: Jennifer Robinson

EMPLOYEE ACTION REQUEST (EAR), FORM STD. 686

Also, please verify that the employees on the report are claiming the appropriate federal marital status and number of federal tax exemptions. Per IRS Notice 2005-76, the listed nonresident alien employees must claim a federal marital status of “S” for single regardless of their actual marital status and cannot claim more than “1” federal tax exemption with exceptions made for specific countries. A nonresident alien cannot claim exempt from federal taxes unless they are covered under a tax treaty.

Please verify that employees complete their Employee Action Request (EAR), Form STD. 686 correctly. Do not accept documents that request a federal marital status or tax exemption other than allowed by the IRS. For employees on the report with incorrect federal marital status/tax exemptions, please have the employees complete and submit a Form Std. 686 with the appropriate information.

If you have questions, please contact Jennifer Robinson at (916) 319-9067 or jrobinson@sco.ca.gov.

DS:JR:PMAB

Attachment

Listing of Nonresident Aliens Subject to IRS Notice 2005-76

Department/Campus: _____
Contact Person: _____ Contact Number/Email: _____
Authorizing Signature*: _____

Social Security Number	Employee Name	Type of Change (Add or Delete)

*Must be a person authorized to sign Employment History documents.

☐ No Changes

Please submit response by March 7, 2016

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